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British Colonies vol 4

H E A D S
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A G R E E M E N T
B E T W E E N
P A R L I A M E N T
A N D T H E
E A S T I N D I A C O M P A N Y.

18 Feb

1780

THE

OF



BETWEEN

PARLIAMENT

AND THE

EAST INDIA COMPANY.

18th. Feb. 1780.

H E A D S

O F A

AGREEMENT with PARLIAMENT.

THE Term, for which the *exclusive* Trade to the East-Indies was granted to the Company, being expired; and that *exclusive* Trade being now determinable by Parliament on three years notice, after repaying the Debt of £4,200,000 due from the Publick to the Company; It becomes essentially necessary for the Company to know what are the Intentions of Parliament.

Altho' from their many Warehouses and other advantages which the Company at present possess in India, they would be enabled to carry on the Trade with more Profit than new Adventurers, who might participate therein if the Trade were laid open; yet the Company, being convinced that the Trade to the East-Indies can never be carried on so much to the advantage of the Publick as by an exclusive Charter, are now induced to make Propositions to Parliament for the Prolongation of the Term of exclusive Trade; and, having on all occasions testified their Zeal for the Publick Welfare, they trust Parliament will receive their propositions favourably.

The Company having, in the 3d of George the II. of glorious and immortal memory, *given up* their *Claim* to an *exclusive* Trade *for ever*, and paid certain Sums and Considerations, on Conditions clearly expressed and stipulated in that Act; Cannot doubt their Right in virtue of that Act *to retain* what ever *Lands* or *Rents* They may possess, or to *alien*

aliene and *dispose* of the same. The Acquisition could be made by the Company alone, and, if the acquisition be retained at all, the *Right of Possession* clearly expressed in that Act must remain with the Company; But altho' the Company cannot doubt *their Right*, or the *Faith* of *Parliament* to *maintain* them in *that Right* bought from the Publick; yet, from their attention to the Wants and Interests of that Publick, and sensible that the Security of the Company must depend on the Publick Prosperity, are willing to participate their Prosperity with the Publick on the following Terms.

The Company consent and agree that so long as the exclusive Trade shall remain with them that Proprietors shall be possessed of £1000 Capital Stock 12 calendar months to entitle them to give *one* vote on a Ballot concerning any Question, and in like manner of £3000 for *two* votes £6000— for *three* votes and £10,000 for *four* votes £20,000 for *five* votes beyond which number
of

of votes, no person shall be entitled to give.

That all questions shall be put to Ballot except the question of Adjournment, if nine Proprietors shall signify their wish so to have the question determined, and before any General Court is adjourned, The Chairman shall enquire if *nine* Proprietors do then desire, or have signed their names so desiring, a Ballot on any question then decided,

That no Dividend shall be determined but by Ballot.

That no Ballot shall be taken in less than days after the Question so to be determined shall have been notified in the News Papers.

That the following Oath shall be taken by every Proprietor before he gives his vote on a Ballot, *viz.*

I A. B. do

I A. B. do swear that I have been possessed of £1000 &c. and that I will give my vote to the best of my Judgment for the Interest of the Company and not otherwise, and that I do voluntarily give my vote.

So help me God.

That the Election of Directors and all other Matters concerning the management of the Company's Affairs, shall remain as expressed in the Company's Charters, and that all the Regulations in the divers Acts of Parliament of his present Majesty shall be repealed, except such as are herein expressed.

That the Servants of the Company, Civil and Military, belonging to their Establishments in India, shall rise by Seniority to such stations as they may be thought qualified to fill, and no Person shall be advanced beyond his Rank, but by the vote of $\frac{2}{3}$ of the Directors confirmed by the vote of $\frac{2}{3}$ of the Proprietors on Ballot at a general Court called for that purpose.

That

That the Cause of Supercession shall always be assigned with permission of Justification, in case the Person abroad so superseded shall appeal to the Directors or Proprietors and such supercession shall not stand confirmed but by $\frac{2}{3}$ of the Directors and $\frac{2}{3}$ of the Proprietors.

That no Person dismissed the Company's Service shall be restored without the consent of $\frac{2}{3}$ of the Directors and $\frac{2}{3}$ of the Proprietors who may vote on the question by Ballot, but no Person shall be dismissed the Company's Service without a specific charge in writing and reasonable time given for his defence.

That every Person convicted of a misdemeanour, or of embezzlement of Publick Money or Stores, shall be rendered incapable of serving the Company in any station.

That every person convicted of smuggling goods to the value of 100 /. shall be incapacitated

citated from serving the Company in any Station, and no Power of remission or mitigation shall be vested in the Court of Directors or General Court.

That no British Subject, except in the Service of the Company, shall, on any account be permitted to reside in the East Indies, or elsewhere within the Company's limits, except at the Company's *Presidencies* as the Principal Settlements are called; nor shall the Company be permitted to grant Licences in future to any persons, not in their service, to go to the East Indies, except Mariners and such Free Mariners shall not be permitted to remain in India in any other Capacity.

To prevent, in future, all intestine Comotions in the Company's Settlements, Commissions shall be granted their Presidents and Governors, as Captain-Generals, and any Person imprisoning or removing any of the said Presidents and Governors shall be adjudged guilty of High Treason and be punished accordingly.

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That

That all the Priviledges heretofore granted to the Company by Acts of Parliament, or Royal Charters, except such are herein before expressly altered, shall be confirmed in as full and ample manner as if herein repeated at length.

That in consideration of the term of exclusive trade being prolonged to 1st March, 1800. The Comapny will give £500,000 to the Publick.

That in consideration of the arrears due to the Proprietors, to make up an 8 *per Cent.* Dividend since 1755, The Publick will fund and give Credit to the Company for £500,000 bearing an Interest of 3 *per Cent per Ann.* This Annuity of £15,000 to be paid to the Proprietors exclusive of all Dividend and this Stock to be transferable apart.

That the Company will likewise advance £2,000,000 to the Publick at 3 *per Cent.*
per.

per Ann. £1,000,000 to be paid this year, and £1,000,000 next year; but, if the Public should require, and the Company be able to raise the whole Sum of £2,000,000 without encreasing the Interest of their Bond Debt, The said Sum shall be paid into the Exchequer as soon as possible. The £500,000 for which the Company are credited in consideration of the *arrear 8 per Cent Dividend* being considered as part of the said £2,000,000.

That the Company shall be entitled to divide, in the first Instance, *8 per Cent.* if their Profits will so allow.

If their Profits do not allow a Dividend of *8 per Cent.* at all times, the deficiency shall be made up, when their Profits above *8 per Cent.* enable them so to do; and all Stock shall be transferred with the claim to this *arrear.*

In Cases of Necessity the Company shall be authorised to borrow £500,000 *Surplus Bonds*, but such *Surplus Bonds* shall not be payable in at their Sales: altho' if not discharged in 12 Months after their Commencement, the Dividend shall be lowered by so much as is necessary to pay the Interest of such *Surplus Bonds*.

That after a Dividend of 8 *per Cent.* to the Proprietors, the *Surplus* shall go to the payment of the Company's debts, till the Bond Debt is reduced to £1,500,000.

When the Bond Debt is reduced to £1,500,000 all Profits exceeding 8 *per Cent.* shall be paid to the Publick, they crediting the Company for one Moiety of such *Surplus*, on which Moiety 3 *per Cent. per An.* shall be paid by the Publick to the Proprietors as a *Surplus Dividend* above their Commercial Dividend of 8 *per Cent.*

After

After the 1st March 1800 on repaying
the £4,200,000 now owing
and £2,500,000 now accounted for

making £6,700,000 together with the
Moiety of Surplus Dividend brought to
the Company's Credit Parliament may
on three years notice determine the exclu-
sive Trade.

the said March 1850 on repaying
the said £1,500,000 now owing
and the said £1,500,000 now accounted for
with the
the said £1,500,000 brought to
the said £1,500,000. The said £1,500,000 may
on three years notice determine the exchequer
five years.

